

## **FISCAL NOTE**

### **SB 161 - HB 601**

February 10, 2001

**SUMMARY OF BILL:** Amends current law to allow a sports authority, that constructs a new stadium for a United Hockey League Franchise and that secures a United Hockey League franchise which moves from one municipality to another municipality in the state to retain the state and local sales tax revenue derived from the following sources: sale of admissions, food and drink sold on the premises of the stadium, parking charges, and related services. Revenues that are retained would be earmarked for the retirement of debt on, and maintenance of, the stadium for a period not to exceed 40 years.

#### **ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$21,000 One-Time**

**Decrease State Revenues - \$145,000 First Full Year**

**Decrease Local Govt. Revenues - \$59,000 First Full Year**

Estimate assumes:

- MIS System Implementation Cost - \$21,000 One-Time
- a decrease in state and local sales tax revenues is estimated to occur since such revenues are currently being collected by such entities and this bill provides that such revenues will be retained by a sports authority.
- decreased revenues at the current level; therefore, any additional state and local government sales tax revenues above the current level of collections will be foregone revenues to state and local governments.
- the average number of home games is 37.
- the average ticket price is \$12.
- the average attendance per game is 2,877 persons.
- the average number of novelty items sold per game is 1,151.
- the average price of each novelty item sold is \$15.
- the average number of concession items sold per game is 1,439.
- the average price of each concession item sold is \$10 per person per game.
- the average number of parking spaces rented per game is 500.
- the average price of a rented parking space is \$10.
- state sales tax rate of 6.0% with 0.5% earmarked specifically for education will not be affected.

#### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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